

Message Text

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ACTION NEA-10

INFO OCT-01 ISO-00 SSO-00 INRE-00 NSCE-00 ICAE-00
CIAE-00 DODE-00 PM-05 H-01 INR-10 L-03 NSAE-00
PA-01 SP-02 SS-15 ACDA-12 IO-13 EB-08 NRC-05
OES-07 SOE-02 DOE-15 CEQ-01 AID-05 JUSE-00 NEAE-00
EUR-12 /128 W
-----040197 241519Z /47

O P 241354Z APR 78
FM AMEMBASSY NEW DELHI
TO SECSTATE WASHDC IMMEDIATE 1152
INFO AMCONSUL BOMBAY PRIORITY
AMCONSUL CALCUTTA PRIORITY
AMEMBASSY ISLAMABAD PRIORITY
AMCONSUL MADRAS PRIORITY

C O N F I D E N T I A L SECTION 1 OF 2 NEW DELHI 6420

E.O. 11652: GDS
TAGS: TECH, PEPR, IN, US
SUBJECT: FURTHER ON PM DESAI'S STATEMENT ON TARAPUR

REF: NEW DELHI 6415

1. PM DESAI'S RAJYA SABHA STATEMENT ON THE NRC DECISION WAS A MEASURED AND CAREFULLY CONSIDERED ONE DESIGNED TO PUT MATTERS IN THEIR PROPER PERSPECTIVE AT A TIME WHEN THE INDIAN PRESS AND POLITICAL OPINION ARE UNDERSTANDABLY ANGERED AND CONFUSED BY WHAT HAS HAPPENED IN WASHINGTON. THE PM OBVIOUSLY RECOGNIZED THE IMPORTANCE WHICH WOULD BE ATTACHED IN THE US AND IN INDIA TO THIS STATEMENT. HE READ IT CALMLY, THEN DEALT EFFECTIVELY WITH THE FOLLOW-UP QUESTIONS RAISED BY OPPOSITION MEMBERS. NEITHER THE STATEMENT NOR DESAI'S MANNER BETRAYED ANY SENSE OF ANGER, A POINT THE OPPOSITION MP'S NOTED WHEN THEY UNSUCCESSFULLY SOUGHT TO BAIT THE PM BY COMPLAINING THAT HE WASN'T EVEN ANGRY AT THE NRC DECISION.

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2. WE CONSIDER PARTICULARLY HEARTENING THE PM'S REFERENCES TO THE PRESIDENT. HE NOTED THAT "NOT EVEN THE PROMISE OF THE PRESIDENT" MADE BEFORE PARLIAMENT IN JANUARY APPEARS TO HAVE WEIGHED WITH THE NRC, THEN WENT ON TO NOTE THAT HE HAD NO DOUBT THAT THE PRESIDENT "ACTUATED AS HE IS BY HIGH MORAL PURPOSE AND IN CONFORMITY WITH HIS OBLIGATION UNDER THE AGREEMENT AND CONTRACT AND IN FULFILLMENT OF HIS PROMISE WILL REACH AN EARLY DECISION".

HE ADDED THAT HE INTENDS TO TAKE UP THE FURTHER SUPPLY OF ENRICHED URANIUM WITH THE PRESIDENT, AND WE SHALL HAVE TO BE PREPARED TO TAKE A HARD LOOK AT THIS ISSUE EARLY ON IN DEALING CANDIDLY WITH HIS APPROACH.

3. WE WOULD ALSO NOTE DESAI'S FIRM STATEMENT THAT HIS READING OF THE TARAPUR AGREEMENT AND SUBSEQUENT CONTRACT MAKE IT "QUITE CLEAR THAT NEITHER THE DOMESTIC LAWS NOR THE DOMESTIC POLICIES OF THE USA CAN AFFECT THE SUPPLY OF TARAPUR'S REQUIREMENTS OF ENRICHED URANIUM AND CONSEQUENTLY BOTH THE DELAY IN THE SUPPLY OF ENRICHED URANIUM FOR PURPOSES OF TARAPUR, AND, WHATEVER THE CIRCUMSTANCES, THE REFUSAL TO SUPPLY SUCH REQUIREMENTS WOULD BE A BREACH OF THE AGREEMENT". THIS REPRESENTS A TOUGHENING AND A FORMALIZATION OF THE POSITION WHICH DESAI HAD TAKEN IN ANSWERING ANOTHER CALLING ATTENTION NOTICE ON MARCH 23 (NEW DELHI 4571 AND 4620). NEITHER THEN NOR IN TODAY'S STATEMENT DOES MORARJI SUGGEST THAT THE AGREEMENT HAS ALREADY BEEN BROKEN. BUT IN TODAY'S STATEMENT HE DOES SPELL OUT HIS POSITION MORE CLEARLY, AND HE DOES THIS IN THE TEXT ITSELF RATHER THAN, AS ON THE EARLIER OCCASION, IN ANSWER TO FOLLOW-UP QUESTIONS. MOREOVER, THE CONTENTION IN THE LATEST STATEMENT THAT A DELAY IN SUPPLY IS A BREACH OF THE AGREEMENT HAS NOT BEEN STATED BEFORE BY THE PM. HIS POSITION IN THE STATEMENT THAT THE BREACH OF THE AGREEMENT CANNOT BE ALLOWED "TO INTERFERE WITH OUR PROGRAM FOR ...PROVIDING FUEL FOR OUR POWER PLANTS" WAS REPORTEDLY FOLLOWED BY A REITERATION IN ORAL REPLY TO A QUESTION OF HIS EARLIER STAND THAT "WHEN THE AGREEMENT IS CONFIDENTIAL

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BROKEN, "THEN WE SHALL BE FREE TO DO WHAT WE CAN TO KEEP THE PLANT RUNNING".

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CIAE-00 DODE-00 PM-05 H-01 INR-10 L-03 NSAE-00
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OES-07 SOE-02 DOE-15 CEQ-01 AID-05 JUSE-00 NEAE-00
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C O N F I D E N T I A L SECTION 2 OF 2 NEW DELHI 6420

4. ANOTHER NOTEWORTHY POINT WAS THE PM'S REFERENCE TO USG DELAY IN REPLY TO THE GOI'S REQUEST FOR A JOINT DETERMINATION ON THE SAFEGUARDABILITY OF PREFRE. HE NOTES THAT HE WILL BE TAKING THIS UP WITH THE USG ONCE THE SITUATION IN REGARD TO THE 7.6 TONNE URANIUM APPLICATION IS CLEARED UP. HE DRAWS, WITHOUT SPELLING IT OUT, A DISTINCTION BETWEEN THIS ISSUE-- TO BE TAKEN UP WITH THE "U.S. ADMINISTRATION"-- AND THE SUPPLY ISSUE-- TO BE TAKEN UP WITH THE PRESIDENT.

5. IN REPLYING TO UNFRIENDLY QUESTIONING AFTER READING THE STATEMENT, MORARJI DISMISSED OPPOSITION DEMANDS THAT HE CANCEL HIS JUNE VISIT TO THE US IN LIGHT OF THE NRC DECISION. REMINDING THE MP'S THAT HE WAS GOING TO THE US "PRIMARILY TO ATTEND THE MEETING OF THE UNSSOD," HE NOTED THAT "I DONT BELIVE IN TIT FOR TAT, I BELIEVE IN DOING MY WORK. HE ALSO TOOK THAT OCCASION TO REMIND MEMBERS AGAIN THAT THE US HAD NOT YET REFUSED TO SUPPLY THE CONTRACTED NUCLEAR FUEL.

6. DESAI WAS ALSO ASKED IF IN VIEW OF THE LATEST DEVELOPMENTS HE
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WOULD RECONSIDER HIS EARLIER ASSURANCE TO PRESIDENT CARTER THAT INDIA WOULD NOT CONDUCT ANY PEACEFUL EXPLOSIONS. HE WAS QUOTED BY UNI AS REPLYING "I HAD VERY CLEARLY INDICATED EVEN THEN THAT I DO NOT CONSIDER IT NECESSARY TO HAVE ANY EXPLOSIONS EVEN FOR PEACEFUL PURPOSES SO THERE WAS NO QUESTION OF CONSULTING OTHER PEOPLE IN THIS REGARD".

7. UNFORTUNATELY, THIS HELPFUL REPLY WAS FOLLOWED BY ANOTHER WHICH APPEARED TO STIFFEN THE TERMS MORARJI HAS PREVIOUSLY GIVEN FOR GOI ACCEPTANCE OF FULL-SCOPE SAFEGUARDS. HE REPORTEDLY STATED "CATEGORICALLY" THAT THERE WAS "ABSOLUTELY NO QUESTION OF ALLOWING INTERNATIONAL INSPECTION OF INDIAN NUCLEAR PLANTS AS LONG AS EQUAL OPPORTUNITIES DID NOT EXIST FOR SIMILAR INSPECTION OF THE NUCLEAR PLANTS OF OTHER COUNTRIES". THIS ACCOUNT IS TAKEN FROM THE UNI TICKER AND WE WILL WANT TO SEE THE OFFICIAL TRANSCRIPT BEFORE COMING TO ANY CONCLUSION. BUT ON THE FACE OF IT IT COULD BE READ AS A CALL FOR THE INSPECTION OF ALL US (AND SOVIET) NUCLEAR FACILITIES NOT JUST CIVILIAN ONES, BEFORE THE GOI WILL ACCEPT FULL-SCOPE SAFEGUARDS. THE COMMENT MAY GO BEYOND DESAI'S

CRYPTIC REMARK ON INSPECTIONS AT HIS JANUARY 12 PRESS CONFERENCE
(NEW DELHI 701) AND FOREIGN MINISTER VAJPAYEE'S REMARKS AT HYDER-
ABAD ON JANUARY 29 (NEW DELHI 1896).
GOHEEN

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Message Attributes

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TAGS: TECH, PEPR, IN, US, NRC, (DESAI, MORARJI)
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Type: TE
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